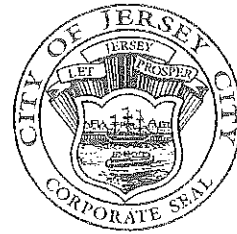


City Clerk File No. Ord. 15.146

Agenda No. 3.A 1st Reading

Agenda No. 4.A 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE

offered and moved adoption of the following ordinance:

CITY ORDINANCE 15.146

TITLE: ORDINANCE READOPTING CHAPTER 304 (TAXATION) ARTICLE III (FIVE-YEAR TAX EXEMPTION) OF THE JERSEY CITY CODE AUTHORIZING FIVE YEAR TAX EXEMPTIONS FOR AN ADDITIONAL 10 YEAR PERIOD

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY DOES ORDAIN:

WHEREAS, the entire City of Jersey City was declared to be an area in need of rehabilitation by the New Jersey Department of Community Affairs in that the City was in danger of blight and in need of rehabilitation as measured by the physical deterioration of building maintenance, age of building stock and other structures pursuant to N.J.S.A. 40A:21-3(b); and

WHEREAS, based upon such declaration and a finding that the conditions persist and remain largely unabated, the City of Jersey City adopted Ordinance 94-011, as extended by Ordinance 07-147, which authorized five (5) year tax exemptions for certain Dwellings, Multiple Dwellings, Commercial and Industrial structures pursuant to the Five Year Exemption Law, N.J.S.A. 40A:21-1 et seq. [Law], and required that certain classes of five (5) year tax exemptions be approved by separate Ordinances of the Municipal Council; and

WHEREAS, Ordinance 94-011, as extended by Ordinance 07-146, expires at the close of tax year 2015; and

WHEREAS, pursuant to N.J.S.A. 40A:21-4, the Municipal Council is required to readopt the Five Year Tax Exemption Ordinance in order to continue to allow the approval of five (5) year tax exemptions for an additional ten (10) years; and

WHEREAS, the Municipal Council, having determined that the dangers of blight and need for rehabilitation, have not fully abated, desires to extend the existing five (5) year Tax Exemption Ordinance for an additional ten (10) years.

A. The following amendments to Chapter 304 (Taxation) Article III (Five-Year Tax Exemption) of the Jersey City Code are hereby adopted:

ARTICLE III Five-Year Tax Exemption

§ 304-6. through §304-16. No change.

§304-17. Expiration (Sunset Provision).

No application for tax exemption shall be filed for an exemption to take initial effect for tax year [2016] 2026 or any tax year thereafter, unless this ordinance is readopted by the Municipal Council in accordance with N.J.S.A. 40A:21-4.

ORDINANCE READOPTING CHAPTER 304 (TAXATION) ARTICLE III (FIVE-YEAR TAX EXEMPTION) OF THE JERSEY CITY CODE AUTHORIZING FIVE YEAR TAX EXEMPTIONS FOR AN ADDITIONAL 10 YEAR PERIOD

- B. All Ordinances and parts of Ordinances inconsistent herewith are hereby repealed.
- C. This Ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this Ordinance codified and incorporated in the official copies of the Jersey City Code.
- D. This ordinance shall take effect at the time and in the manner as provided by law.
- E. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this Ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All new material is underlined; words in ~~{brackets}~~ are omitted.
For purposes of advertising only, new matter is indicated by **boldface** and repealed matter by *italic*.

JM/he
10/9/15

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

Ordinance of the City of Jersey City, N.J.



ORDINANCE NO. Ord. 15.146
TITLE: 3.A OCT 28 2015 4.A

Ordinance re-adopting Chapter 304 (Taxation) Article III
(Five Year Tax Exemption) of the Jersey City Code
authorizing five year tax exemptions for an additional 10 year
period.

RECORD OF COUNCIL VOTE ON INTRODUCTION								OCT 28 2015 9-0			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
RAMCHAL	✓			OSBORNE	✓			WATTERMEN	✓		
BOGGIANO	✓			COLEMAN	✓			LAVARRO, PRES.	✓		

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING											
Councilperson				moved, seconded by Councilperson				to close P.H.			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMEN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

✓ Indicates Vote

N.V.--Not Voting (Abstain)

SPEAKERS:

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY											
Councilperson				moved to amend* Ordinance, seconded by Councilperson				& adopted			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMEN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

RECORD OF FINAL COUNCIL VOTE											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMEN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

✓ Indicates Vote

N.V.--Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on OCT 28 2015

Adopted on second and final reading after hearing on _____

This is to certify that the foregoing Ordinance was adopted by
the Municipal Council at its meeting on

APPROVED:

Robert Byrne, City Clerk

Rolando R. Lavarro, Jr., Council President

Date _____

*Amendment(s):

APPROVED:

Steven M. Fulop, Mayor

Date _____

Date to Mayor _____

City Clerk File No. Ord. 15-147

Agenda No. 3.B 1st Reading

Agenda No. 4.B 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 15.147

TITLE ORDINANCE OF THE CITY OF JERSEY CITY AMENDING AND SUPPLEMENTING CHAPTER 345 (ZONING) ARTICLE IV (FEES, DEPOSITS AND INSPECTIONS), SECTION 345-33 (FEES) AND CHAPTER 160 (FEES AND CHARGES) OF THE JERSEY CITY MUNICIPAL CODE

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY HEREBY ORDAINS:

WHEREAS, pursuant to N.J.S.A. 40:55D-62, the Municipal Council of Jersey City adopted the Land Development Ordinance, Chapter 345 of the Jersey City Municipal Code (Ordinance No. 01-042), on April 11, 2001, as amended thereafter; and

WHEREAS, Article IV, Section 345-33 and Chapter 160 set forth the fees to apply for approvals from the Planning Board, the Zoning Board of Adjustment, and the Historic Preservation Commission; and

WHEREAS, the Municipal Council may require the issuance of specified permits, certificates or authorizations as a condition precedent to (1) the erection, construction, alteration, repair, remodeling, conversion, removal or destruction of any building or structure, (2) the use or occupancy of any building, structure or land, and (3) the subdivision or resubdivision of any land; and shall establish an administrative officer and offices for the purpose of issuing such permits, certificates or authorizations, pursuant to N.J.S.A. 40:55D-18; and

WHEREAS, the Municipal Council has established the Zoning Officer and Division of Zoning Enforcement as the administrative officer and offices to enforce and administer Chapter 345 of the Jersey City Municipal Code, pursuant to Article VIII, Section 345-76; and

WHEREAS, the Zoning Officer and the Division of Zoning Enforcement may establish reasonable fees to cover administrative costs for the issuance of permits, certificates or authorizations pursuant to N.J.S.A. 40:55D-18; and

WHEREAS, the Municipal Council, pursuant to N.J.S.A. 40:55D-64, sought and received the recommendations of the Jersey City Planning Board relative to these issues and voted at its meeting of September 1, 2015, to recommend that the Municipal Council amend the Fees of the Land Development Ordinance to establish fees for applications to the Division of Zoning Enforcement; and

WHEREAS, the amendments to the Land Development Ordinance are attached hereto and made a part hereof, and are available for public inspection in the Office of the City Clerk, City Hall, 280 Grove, Jersey City, NJ;

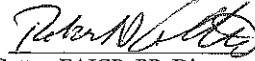
NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that the attached amendment to Chapter 345 (Zoning) Article IV (Fees, Deposits and Inspections) and Chapter 160 (Fees and Charges) be, and hereby is, adopted as recommended by the Jersey City Planning Board.

BE IT FURTHER ORDAINED THAT:

- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be a part of the Jersey City Code as though codified and set forth fully herein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect at the time and in the manner as provided by law.
- D. The City Clerk and the Corporation Council be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to

avoid confusion and possible repealers of existing provisions.

- E. The City Planning Division is hereby directed to give notice at least ten days prior to the hearing on the adoption of this Ordinance to the Hudson County Planning board and to all other persons entitled thereto pursuant to N.J.S. 40:55D-15 and N.J.S. 40:55D-63 (if required). Upon the adoption of this Ordinance after public hearing thereon, the City Clerk is directed to publish notice of the passage thereof and to file a copy of the Ordinance as finally adopted with the Hudson County Planning Board as required by N.J.S. 40:55D-16. The clerk shall also forthwith transmit a copy of this Ordinance after final passage to the Municipal Tax Assessor as required by N.J.S. 40:49-2.1.



Robert D. Cotter, FAICP, PP, Director
Division of City Planning

APPROVED AS TO LEGAL FORM

APPROVED: 

Corporation Counsel

APPROVED: _____

Business Administrator

Certification Required ☐

Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

ORDINANCE OF THE CITY OF JERSEY CITY AMENDING AND SUPPLEMENTING CHAPTER 345 (ZONING) ARTICLE IV (FEES, DEPOSITS AND INSPECTIONS), SECTION 345-33 (FEES) AND CHAPTER 160 (FEES AND CHARGES) OF THE JERSEY CITY MUNICIPAL CODE

Initiator

Department/Division	HEDC	City Planning
Name/Title	Robert Cotter, PP, AICP	Director
Phone/email	201-547-5010	bobbye@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)


Resolution Purpose

The proposed amendment amends the Fees sections of the Land Development Ordinance to establish fees for applications to the Division of Zoning Enforcement to cover administrative costs for the issuance of permits, certificates or authorizations, pursuant to N.J.S.A. 40:55D-18.

I certify that all the facts presented herein are accurate.


Signature of Department Director

Date


Signature of Division Director

Date

Department of Housing, Economic Development & Commerce
Division of City Planning



Inter-Office Memorandum

DATE: October 14, 2015
TO: Council President Lavarro, Anthony Cruz, Bob Cotter
FROM: Matt Ward, AICP
SUBJECT: Application Fees – Division of Zoning Enforcement

The amendments before you pertain to Application Fees for the Division of Zoning Enforcement.

Presently, the Division of Zoning Enforcement does not have a set fee schedule to cover the administrative cost of issuing permits, certificates, or authorizations, as is permitted under N.J.S.A. 40:55D-18.

This ordinance would establish these fees by application type .

Summary Sheet:

ORDINANCE OF THE CITY OF JERSEY CITY AMENDING AND SUPPLEMENTING CHAPTER 345 (ZONING) ARTICLE IV (FEES, DEPOSITS AND INSPECTIONS), SECTION 345-33 (FEES) AND CHAPTER 160 (FEES AND CHARGES) OF THE JERSEY CITY MUNICIPAL CODE

The proposed amendment amends the Fees sections of the Land Development Ordinance to establish fees for applications to the Division of Zoning Enforcement to cover administrative costs for the issuance of permits, certificates or authorizations, pursuant to N.J.S.A. 40:55D-18.

Amendments to Chapter 345-33, 345-76 and 160 to be presented to the planning board.

text to be added is bold and italics like ***this***

§ 345-33. - Fees.

A. Applicable Fees.

1. NO CHANGE
2. NO CHANGE
3. NO CHANGE
4. NO CHANGE
5. ***The Zoning Officer and the Division of Zoning Enforcement may establish reasonable fees to cover administrative costs for the issuance of permits, certificates or authorizations pursuant to N.J.S.A. 40:55D-18.***

B. Schedule of Fees.

Fee Table I

<i>Application Type</i>	<i>Application Fees</i>
<i>Zoning Officer and Division of Zoning Enforcement Applications</i>	<i>Non-Refundable</i>
<i>Plan Review & Determination</i>	<i>\$100</i>
<i>Certificate of Occupancy Review & Determination</i>	<i>\$100</i>
<i>Zoning Determination</i>	<i>\$100</i>
<i>Pre-existing Curbcut Determination</i>	<i>\$25</i>

<i>Application Type</i>	<i>Application Fees</i>
<i>Planning Board and Board of Adjustment Applications</i>	<i>Non-Refundable</i>
Minor Site Plan – Cell Antenna Application Minor Site Plan – Signage and Storefronts Minor Site Plan – Other	NO CHANGE
Preliminary Major Site Plan Residential	NO CHANGE
Preliminary Major Site Plan Non Residential	NO CHANGE
Preliminary Major Site Plan Non Residential	NO CHANGE
Final Major Site Plan	NO CHANGE

Site Plan Amendment	NO CHANGE
<u>Administrative Amendment</u>	<u>\$100</u>
Conceptual Site Plan	NO CHANGE
Extension of Site Plan Approval	NO CHANGE
Minor Subdivision	NO CHANGE
Preliminary Major Subdivision	NO CHANGE
Final Major Subdivision	NO CHANGE
SPECIAL MEETING REQUESTED BY APPLICANT	NO CHANGE
REZONING OR REDEVELOPMENT PLAN AMENDMENT REQUESTED BY DEVELOPER	NO CHANGE
APPEALS, INTERPRETATIONS AND VARIANCES	NO CHANGE
"a" & "b" Appeals and Interpretations as per NJSA 40:55D-70 a & b	NO CHANGE
"c" Variance as per NJSA 40:55D-70(c) & deviation from redevelopment plan	NO CHANGE
"d" Variance as per NJSA 40:55D-70 (d)	NO CHANGE
Extension of Variance Approval	NO CHANGE
Historic Preservation Commission Applications	NO CHANGE
SPECIAL MEETING REQUESTED BY APPLICANT	NO CHANGE

§ 345-76. - Enforcement.

- A. NO CHANGE
- B. NO CHANGE
- C. NO CHANGE
- D. NO CHANGE
- E. NO CHANGE
- F. **Plan Review and Determination. The real or prospective owner and/or developer of any land may apply in writing for the issuance of a Plan Review and Determination certifying that submitted plans comply with the provisions of this chapter, redevelopment plan or deviation/variance therefrom duly authorized.**
- G. **Zoning Determination. The real or prospective owner and/or developer of any land may apply in writing for the issuance of a Zoning Determination letter signed by the Zoning Officer which**

acknowledges that such use, structure or building complies with the provisions of this chapter, redevelopment plan or deviation/variance therefrom duly authorized.

- H. Pre-existing Curbcut Determination.** The real owner, prospective purchaser, prospective mortgagee, or any other person interested in any land may apply in writing for the issuance of a Pre-existing Curbcut Determination certifying that a curbcut exists legally before the adoption of the ordinance which rendered the curbcut nonconforming or a deviation/variance therefrom was duly authorized. The applicant shall have the burden of proof.
- I. Fees.** The Zoning Officer and Division of Zoning Enforcement may establish fees to cover administrative costs for the issuance of permits, determinations, certificates and authorizations.

§ 160-1(UU).

Fee Table I

<u>Application Type</u>	<u>Application Fees</u>
<u>Zoning Officer and Division of Zoning Enforcement Applications</u>	<u>Non-Refundable</u>
<u>Plan Review & Determination</u>	<u>\$100</u>
<u>Certificate of Occupancy Review & Determination</u>	<u>\$100</u>
<u>Zoning Determination</u>	<u>\$100</u>
<u>Pre-existing Curbcut Determination</u>	<u>\$25</u>

<u>Application Type</u>	<u>Application Fees</u>
<u>Planning Board and Board of Adjustment Applications</u>	<u>Non-Refundable</u>
Minor Site Plan – Cell Antenna Application Minor Site Plan – Signage and Storefronts Minor Site Plan – Other	NO CHANGE
Preliminary Major Site Plan Residential	NO CHANGE
Preliminary Major Site Plan Non Residential	NO CHANGE
Preliminary Major Site Plan Non Residential	NO CHANGE
Final Major Site Plan	NO CHANGE

Site Plan Amendment	NO CHANGE
<i>Administrative Amendment</i>	<i>\$100</i>
Conceptual Site Plan	NO CHANGE
Extension of Site Plan Approval	NO CHANGE
Minor Subdivision	NO CHANGE
Preliminary Major Subdivision	NO CHANGE
Final Major Subdivision	NO CHANGE
SPECIAL MEETING REQUESTED BY APPLICANT	NO CHANGE
REZONING OR REDEVELOPMENT PLAN AMENDMENT REQUESTED BY DEVELOPER	NO CHANGE
APPEALS, INTERPRETATIONS AND VARIANCES	NO CHANGE
"a" & "b" Appeals and Interpretations as per NJSA 40:55D-70 a & b	NO CHANGE
"c" Variance as per NJSA 40:55D-70(c) & deviation from redevelopment plan	NO CHANGE
"d" Variance as per NJSA 40:55D-70 (d)	NO CHANGE
Extension of Variance Approval	NO CHANGE
Historic Preservation Commission Applications	NO CHANGE
SPECIAL MEETING REQUESTED BY APPLICANT	NO CHANGE

Ordinance of the City of Jersey City, N.J.



ORDINANCE NO. Ord. 15.147
TITLE: 3.B OCT 28 2015 4.B

Ordinance of the Municipal Council of the City of Jersey
City amending and supplementing Chapter 345 (Zoning)
Article IV (Fees, Deposits and Inspections), Section 345-33
(Fees) and Chapter 160 (Fees and Charges) of the Jersey City
Municipal Code.

RECORD OF COUNCIL VOTE ON INTRODUCTION								OCT 28 2015 9-0			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
RAMCHAL	✓			OSBORNE	✓			WATTERMANN	✓		
BOGGIANO	✓			COLEMAN	✓			LAVARRO, PRES.	✓		

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING											
Councilperson				moved, seconded by Councilperson				to close P.H.			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMANN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

✓ Indicates Vote

N.V.--Not Voting (Abstain)

SPEAKERS:

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY											
Councilperson				moved to amend* Ordinance, seconded by Councilperson				& adopted			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMANN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

RECORD OF FINAL COUNCIL VOTE											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMANN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

✓ Indicates Vote

N.V.--Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on _____

Adopted on second and final reading after hearing on _____

This is to certify that the foregoing Ordinance was adopted by
the Municipal Council at its meeting on

APPROVED:

Rolando R. Lavarro, Jr., Council President

Date _____

APPROVED:

Steven M. Fulop, Mayor

Date _____

Date to Mayor _____

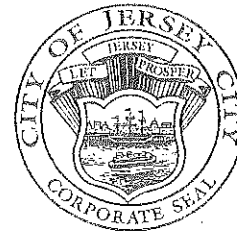
Robert Byrne, City Clerk

*Amendment(s):

City Clerk File No. Ord. 15.149

Agenda No. 3.D 1st Reading

Agenda No. 4.C. 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 15.149

TITLE:

**AN ORDINANCE OF THE CITY OF JERSEY CITY, IN
THE COUNTY OF HUDSON, NEW JERSEY, PROVIDING
FOR A SPECIAL EMERGENCY APPROPRIATION OF
\$8,000,000 FOR THE PAYMENT OF CONTRACTUALLY
REQUIRED SEVERANCE LIABILITIES RESULTING
FROM THE RETIREMENT OF CITY EMPLOYEES**

WHEREAS, N.J.S.A. 40A:4-53 provides that a municipality may adopt an ordinance providing for a special emergency appropriation for contractually required severance liabilities resulting from the retirement of City employees; and

WHEREAS, the Municipal Council of the City of Jersey City, in the County of Hudson, New Jersey (the "City") has determined to authorize a special emergency appropriation to provide for the payment of contractually required severance liabilities resulting from the retirement of City employees; and

WHEREAS, the estimated cost of the payment of the required severance liabilities is \$8,000,000;

NOW THEREFORE BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY, IN THE COUNTY OF HUDSON, NEW JERSEY, AS FOLLOWS:

Section 1. Pursuant to N.J.S.A. 40A:4-53, the sum of \$8,000,000 is hereby appropriated for the payment by the City of contractually required severance liabilities resulting from the retirement of City employees, and the same shall be deemed a special emergency appropriation as defined and provided for in N.J.S.A. 40A:4-55.

Section 2. The portion of the authorization financed shall be provided for in succeeding annual budgets by the inclusion of at least one fifth of the amount authorized by this ordinance and financed and as provided in N.J.S.A. 40A:4-55.

Section 3. A copy of this ordinance shall be filed with the Director of the Division of Local Government Services.

Section 4. This ordinance shall take effect upon final passage and publication as required by law.

APPROVED AS TO LEGAL FORM

Corporation Counsel

Certification Required ☐
Not Required ☐

APPROVED: *Donna Mares, CFO*

APPROVED: _____

Business Administrator

ORDINANCE FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

AN ORDINANCE OF THE CITY OF JERSEY CITY, IN THE COUNTY OF HUDSON, NEW JERSEY, PROVIDING FOR A SPECIAL EMERGENCY APPROPRIATION OF \$8,000,000 FOR THE PAYMENT OF CONTRACTUALLY REQUIRED SEVERANCE LIABILITIES RESULTING FROM THE RETIREMENT OF CITY EMPLOYEES

Initiator

Department/Division	Administration	Management & Budget
Name/Title	Donna Mauer	Chief Financial Officer
Phone/email	201-547-5042	DonnaM@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

This ordinance will allow for the appropriation and issuance of up to \$8,000,000 in emergency notes to fund accumulated time payouts to retirees.

I certify that all the facts presented herein are accurate.

Donna Mauer
Signature of Department Director

10/19/15
Date

Ordinance of the City of Jersey City, N.J.



ORDINANCE NO. Ord. 15.149
TITLE: 3.D OCT 28 2015 4.C

An ordinance of the City of Jersey City, in the County of Hudson, New Jersey, providing for a Special Emergency Appropriation of \$8,000,000 for the payment of contractually required severance liabilities resulting from the retirement of City Employees.

RECORD OF COUNCIL VOTE ON INTRODUCTION												OCT 28 2015 7-0-2	
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.		
GAJEWSKI	✓			YUN	ABSTAIN			RIVERA	✓				
RAMCHAL	✓			OSBORNE	✓			WATTERMAN	✓				
BOGGIANO	ABSTAIN			COLEMAN	✓			LAVARRO, PRES.	✓				

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING											
Councilperson				moved, seconded by Councilperson				to close P.H.			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMEN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

✓ Indicates Vote

N.V.--Not Voting (Abstain)

SPEAKERS:

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY											
Councilperson				moved to amend* Ordinance, seconded by Councilperson				& adopted			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMEN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

RECORD OF FINAL COUNCIL VOTE											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMEN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

✓ Indicates Vote

N.V.--Not Voting (Abstain)

OCT 28 2015

Adopted on first reading of the Council of Jersey City, N.J. on _____

Adopted on second and final reading after hearing on _____

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on _____

APPROVED:

Robert Byrne, City Clerk

Rolando R. Lavarro, Jr., Council President

Date _____

*Amendment(s):

APPROVED:

Steven M. Fulop, Mayor

Date _____

Date to Mayor _____

City Clerk File No. Ord. 15.150

Agenda No. 3.E 1st Reading

Agenda No. 4.D. 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 15.150

TITLE:

**ORDINANCE AUTHORIZING A SIXTH AMENDMENT TO THE CITY'S LEASE
WITH JOURNAL SQUARE PLAZA URBAN RENEWAL ASSOCIATES FOR ONE
JOURNAL SQUARE PLAZA, BLOCK 586.5, LOT PLOT B TO AMEND THE TERM.**

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, the City of Jersey City (City) needs office space for various Departments; and

WHEREAS, N.J.S.A. 40A:12-5 provides that a municipality may by ordinance authorize a lease of real property if it determines it is needed for municipal purposes; and

WHEREAS, Journal Square Plaza Urban Renewal Associates is the owner of Block 586.5, Lot Plot B, more commonly known by the street address as One Journal Square Plaza (property); and

WHEREAS, by the adoption of Ordinance 05-015, the City approved a lease with Journal Square Plaza Urban Renewal Associates (Landlord) for ten (10) years for approximately 28,202 square feet of space at the Property, consisting of the entire 2nd and 3rd floors of the Property; and

WHEREAS, the lease expired on May 31, 2015; and

WHEREAS, the rent for the space was \$21.25 per square foot or \$599,292.50 per year for the last five (5) years of the term of the lease; and

WHEREAS, by the adoption of Ordinance 06-008 the parties amended the lease, effective March 1, 2006, and increased the Premises by 3,200 square feet, located on the 4th floor; and

WHEREAS, by the adoption of Ordinance 12-076, the parties amended the lease, effective June 1, 2012, to add the remainder of the 4th floor, which increases the total leased premises consisting of all of the 2nd, 3rd and 4th floors of property to 42,326 square feet; and

WHEREAS, the total annual rent for the entire 42,326 square feet, shall be \$787,456.50 each year and;

WHEREAS, Ordinance 12-124, adopted on October 10, 2012 a third amendment to amend the lease to include as additional rent the construction costs of improvements to be performed by the Landlord; and

WHEREAS, by adoption of Ordinance 13-106 a fourth amendment was agreed by the parties to amend the lease to include the Architecture fees; and

WHEREAS, by adoption of Ordinance 15-069 a fifth amendment was agreed to by the parties to amend the lease for the third floor consisting of 14,101 sq. ft for Information Technology, Accounts & Control, Treasury, Pension & Payroll from June 1, 2015 thru October 1, 2015 and the fourth floor consisting of 14,101 sq. ft. for Police Headquarters with a term with a term from June 1, 2015 to May 31, 2016, and

WHEREAS, the City desires to extend the term of the Lease for the 3rd fl. consisting of 14,101 sq. ft. with offices consisting of Divisions of Information Technology, Accounts & Control, Treasury, Pension and Payroll with a term effective November 1, 2015 on a month to month basis with the right to terminate upon 30 days prior written notice by either party, and

WHEREAS, the 4th floor consisting of 14,101 sq. ft. has the Police Headquarters with a term from June 1, 2015 to May 31, 2016 with the City's right to terminate said Extended Term upon ninety (90) days prior written notice to Landlord; and

WHEREAS, Journal Square Plaza Urban Renewal Associates is willing to extend the term of the Lease for the 3rd floor of the premises effective November 1, 2015 on a month to month basis and for the 4th floor of the premises from June 1, 2015 to May 31, 2016 subject to the terms and conditions herein contained; and

WHEREAS, the rent for the 3rd and 4th floors of 28,202 sq. ft. shall be \$19.40 per sq. ft. for a total of \$45,593.24 monthly (\$22,796.62 for each floor) or \$547,118.88 annually.

WHEREAS, funds will be made available in the CY 2015 temporary, permanent and future year budgets in the Municipal Rent Account # 01-201-31-432-304.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

1. The Mayor of business Administrator is authorized to execute a Sixth Amendment to the Lease Agreement with Journal Square Plaza Urban Renewal Associates to amend the term and square footage space.
2. The Sixth Amendment to the Lease shall be in substantially in the form attached, subject to such modifications as may be deemed necessary or appropriate by the Business Administrator or Corporation Counsel.
3. All Ordinances and parts of Ordinances inconsistent herewith are hereby repealed.
4. This Ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
5. This Ordinance shall take effect at the time and in the manners provided by law.
6. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this Ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore, underlining has been omitted. For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

I hereby certify that there are sufficient funds available in Municipal Rent Account # 01-201-32-432- 304 for P.O. # _____.

Donna Mauer, Chief Financial Officer

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED: Ann Marie Nobile, Real Estate Manager

APPROVED: _____
Business Administrator

Certification Required ☐

Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

ORDINANCE AUTHORIZING A SIXTH AMENDMENT TO THE CITY'S LEASE WITH JOURNAL SQUARE PLAZA URBAN RENEWAL ASSOCIATES FOR ONE JOURNAL SQUARE PLAZA, BLOCK 586.5 LOT PLOT B TO AMEND THE TERM.

Initiator

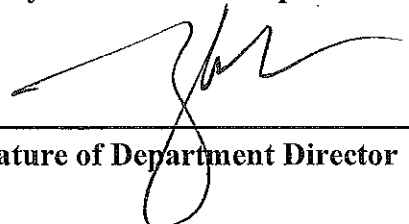
Department/Division	Administration	Real Estate
Name /Title	Ann Marie Miller	Real Estate Manager
Phone/E-Mail	(201) 547-5234	annmarie@jenj.org

Note initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

To extend the term of the Lease for the 3rd floor consisting of 14,101 sq ft. until the new office space construction has been completed for offices consisting of Division of Information Technology, Accounts & Control, Treasury, Pension and Payroll with a term effective November 1, 2015 on a month to month basis with the right to terminate upon 30 days prior written notice by either party. The rent shall remain the same for the 3rd & 4th Floor @ \$19.40 per sq. ft. for a total of \$45,593.24 monthly (22,796.62 each floor) or \$547,118.88 annually.

I certify that all the facts presented herein are accurate.



Signature of Department Director

10/16/15

Date

CITY OF JERSEY CITY394 CENTRAL AVE.
2ND FLOOR
JERSEY CITY NJ 07307**Requisition**

Requisition #

0171886

Assigned PO #

118648

Vendor
JOURNAL SQUARE PLAZA URBAN
RENEWAL ASSOCIATES
PO BOX 842333
BOSTON MA 02284
JO441260**Dept. Bill To**
DIVISION OF REAL ESTATE
MUNICIPAL COURT BUILDING
365 SUMMIT AVENUE
JERSEY CITY NJ 07306**Dept. Ship To**
DIVISION OF REAL ESTATE
MUNICIPAL COURT BUILDING
365 SUMMIT AVENUE
JERSEY CITY NJ 07306**Contact Info**
PEGGY RAUSCH X5234
0000000000

Quantity	UOM	Description	Account	Unit Price	Total
1.00	EA	ENCUMBRANCY	01-201-31-432-304	91,200.00	91,200.00

THIS PURCHASE ORDER IS FOR ENCUMBRANCY
PURPOSES ONLY TO ESTABLISH FUNDING FOR
OFFICE SPACE AT ONE JOURNAL SQUARE
NAME OF CONTRACT: JOURNAL SQUARE PLAZA URA
TOTAL CONTRACT:\$91,186.48
ENCUMBRANCY : \$91,200.00
TO COVER FROM 11/1/15 THRU 12/31/15
PAYMENTS WILL BE MADE ON PARTIAL PAYMENT VOUCHERS.

Requisition Total 91,200.00

Req. Date: 10/09/2015

Requested By: PEGGYR

Approved By: _____

Buyer Id:

This Is Not A Purchase Order

**SIXTH AMENDMENT TO LEASE BETWEEN JOURNAL SQUARE PLAZA URBAN
RENEWAL ASSOCIATES [LANDLORD] AND THE CITY OF JERSEY CITY
[TENANT]**

WHEREAS, by Lease Agreement dated March, 2005, [the Lease] Landlord leased certain Premises, including the entire second and third floors of the building and certain outside parking spaces commonly known as One Journal Square Plaza, Jersey City, New Jersey [the Premises] to Tenant; and

WHEREAS, by First Amendment to Lease effective as of March 1, 2006, the Lease was amended so as to add a portion of the 4th floor to the Premises consisting of an additional 3,200 square feet of space, which increased the Tenant's Rent and share of Additional Rent, as more particularly set forth therein; and

WHEREAS, by Second Amendment to Lease effective as of June 1, 2012, the Lease was amended so as to add the remaining 10,900 square feet of the 4th floor to the Premises, resulting in the entirety of the Second, Third and Fourth Floors as constituting the Premises, together with a kiosk area consisting of approximately 10 feet x 10 feet in the main floor lobby of the building in which the Premises are located, resulting in a total of 42,326 square feet and an annual Rent in the amount of \$787,456.50; and

WHEREAS, by Third Amendment to Lease effective June 1, 2012, Landlord constructed certain improvements to the Premises for the benefit of Tenant; and

WHEREAS, by Fourth Amendment to Lease, the costs for the Third Amendment improvements were increased to include architect fees; and

WHEREAS, effective April 1st, 2014, the 2nd floor was removed from the Premises, resulting in a reduction of the Annual Rent, a reduction in Tenant's "proportionate share" for Additional Rent, as defined in Section 2.02(1)(iii) to 53.33% and a reduction in the number of parking spaces allocated to Tenant to 32.

WHEREAS, by Fifth Amendment to Lease, the term of the Lease for the 3rd floor Premises containing 14,101 sq. ft., occupied by the Divisions of Information, Technology, Accounts and Control, Treasury, Pension and Payroll was extended from June 1, 2015 to October 31, 2015 and the Lease for the 4th floor Premises containing 14,101 sq. ft. occupied by the Police Headquarters was extended for an additional one (1) year from June 1, 2015 to May 31, 2016 with the right to terminate said Extended Term upon ninety (90) days prior written notice to Landlord; and

WHEREAS, Tenant is desirous of extending the term of the Lease for the 3rd floor Premises effective November 1, 2015 on a month-to-month basis with the right to terminate upon 30 days prior written notice by either party.

WHEREAS, the rent for the 3rd and 4th floors containing 28,202 sq. ft. shall be \$19.40 per sq. ft. monthly for a total of \$45,593.24 monthly (\$22,796.62 for each floor) or \$547,118.88 annually

NOW THEREFORE, in consideration of the covenants and conditions herein contained, the parties hereto agree as follows:

1. The term of the Lease for the 3rd floor Premises containing 14,101 sq.ft. occupied by Divisions of Information, Technology, Accounts and Control, Treasury, Pension and Payroll is extended for one (1) month effective November 1, 2015 and from month-to-month thereafter with the right by either party to terminate upon 30 days prior written notice.
2. The rent for the 3rd and 4th floors (containing a total of 28,202 sq. ft.) shall continue to be \$19.40 per sq. ft. monthly for a total of \$45,593.24 per month (\$22,796.62 for each floor) or \$547,118.88 annually. Upon the 3rd floor premises being vacated by the Divisions of Information, Technology, Accounts and Control, Treasury, Pension and Payroll: a) Tenant's "proportionate share" as defined in Section 2.02 (a) (iii) shall be reduced to 26.666% and b) the number of parking spaces allocated to Tenant shall be reduced to 16.
3. This Sixth Amendment shall become effective only after execution hereof by both Landlord and Tenant.
4. Except as herein modified, all of the terms and conditions of the Lease and the First, Second, Third, Fourth and Fifth Amendments to Lease shall remain in full force and effect.

WITNESS:

Landlord:

Journal Square Plaza Urban Renewal Associates

By: JSQ REALTY, LLC, General Partner

By: _____

Joseph A. Panepinto, Managing Member

Dated: _____

WITNESS:

Tenant:

City of Jersey City

By: _____

City Clerk

Business Administrator

Dated: _____

Ordinance of the City of Jersey City, N.J.



ORDINANCE NO. Ord. 15.150
TITLE: 3.E OCT 28 2015 4.D

Ordinance authorizing a sixth amendment to the City's lease with Journal Square Plaza Urban Renewal Associates for One Journal Square Plaza, Block 586.5, Lot Plot B to amend the term.

RECORD OF COUNCIL VOTE ON INTRODUCTION OCT 28 2015 9-0											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
RAMCHAL	✓			OSBORNE	✓			WATTERMEN	✓		
BOGGIANO	✓			COLEMAN	✓			LAVARRO, PRES.	✓		

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING											
Councilperson				moved, seconded by Councilperson				to close P.H.			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMEN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

✓ Indicates Vote

N.V.--Not Voting (Abstain)

SPEAKERS:

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY											
Councilperson				moved to amend* Ordinance, seconded by Councilperson				& adopted			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMEN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

RECORD OF FINAL COUNCIL VOTE											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMEN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

✓ Indicates Vote

N.V.--Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on _____

Adopted on second and final reading after hearing on _____

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on

APPROVED:

Robert Byrne, City Clerk

Rolando R. Lavarro, Jr., Council President
Date _____

*Amendment(s):

APPROVED:

Steven M. Fulop, Mayor
Date _____

Date to Mayor _____

City Clerk File No. Ord. 15.151

Agenda No. 3.F 1st Reading

Agenda No. 4.E. 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 15.151

TITLE: ORDINANCE APPROVING 1) A TAX EXEMPTION FOR OCEAN TOWERS PRESERVATION, LLC; PURSUANT TO THE NJ HOUSING AND MORTGAGE FINANCE AGENCY LAW N.J.S.A. 55:14K-1 ET SEQ; AND 2) TERMINATION OF THE EXISTING TAX EXEMPTION WITH OCEAN TOWERS ASSOCIATES, LP / MT. CARMEL GUILD PURSUANT TO THE LIMITED DIVIDEND LAW, N.J.S.A. 55:16-1 ET SEQ., FOR 425 OCEAN AVENUE

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, the project was originally known as Block 1333, Lots A, A1, A2, A3 & A4 (currently known as Block 25805, Lot 6), more commonly known by the street address of 425 Ocean Avenue, Jersey City, New Jersey, all of which is located within the boundaries of the Bergen-Lafayette Redevelopment Plan Area; and

WHEREAS, by a resolution dated December 19, 1972, the City of Jersey City approved a tax exemption for Mt. Carmel Guild [Entity] to construct 99 units of affordable rental housing, pursuant to N.J.S.A. 55:16-1, the Limited Dividend Housing Corporation Law, and funded by a loan from the New Jersey Housing Mortgage and Finance Agency [NJHMFA], which tax exemption expires on December 19, 2020; and

WHEREAS, it appears that Mt. Carmel Guild conveyed the project and assigned the tax exemption to Ocean Towers Associates, LP, in 1983 without the consent of the City; and

WHEREAS, the project is now in need of renovations to replace the existing windows, facade repair, elevator modernization, handicap accessibility, replacing lighting and plumbing fixtures, security cameras and exterior fence; and

WHEREAS, Ocean Towers Associates, LP, wishes convey title to the project to Ocean Towers Preservation, LLC, and terminate its tax exemption; and

WHEREAS, Ocean Towers Preservation, LLC, has applied for a new 20 year tax exemption pursuant to the New Jersey Home Mortgage and Finance Agency [NJHMFA] and to secure funds from the NJHMFA in part to renovate the project; and

WHEREAS, the Deed Restrictions, NJHMFA Regulatory Agreement and Mortgage shall keep the project affordable until at least 2035; and

WHEREAS, it is in the best interests of the City of Jersey City to preserve the 99 units as affordable housing until at least 2035, by adopting the within ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

ORDINANCE APPROVING 1) A TAX EXEMPTION FOR OCEAN TOWERS PRESERVATION, LLC; PURSUANT TO THE NJ HOUSING AND MORTGAGE FINANCE AGENCY LAW N.J.S.A. 55:14K-1 ET SEQ; AND 2) TERMINATION OF THE EXISTING TAX EXEMPTION WITH OCEAN TOWERS ASSOCIATES, LP / MT. CARMEL GUILD PURSUANT TO THE LIMITED DIVIDEND LAW, N.J.S.A. 55:16-1 ET SEQ., FOR 425 OCEAN AVENUE

A. The Application of Ocean Towers Preservation, LLC, an Entity formed and qualified to do business under the provisions of the Housing and Mortgage Finance Agency Law, N.J.S.A. 55:14K-1 et seq., for a tax exemption; and the termination of the tax exemption approved in 1972 pursuant to the Limited Dividend Housing Corporation Law, N.J.S.A. 55:16-1, for Ocean Towers Associates, LP/Mt. Carmel Guild, is hereby approved.

B. The Mayor or Business Administrator is hereby authorized to execute an Amended Financial Agreement with Ocean Towers Preservation, LLC, subject to the following minimal terms:

- i) Project: Block 25805, Lot 6 (f/k/a Block 1333, Lots A, A1, A2, A3 & A4) but will continue to be more commonly known by the street address of 425 Ocean Avenue;
- ii) Service Charge: at least equal to 6.28% per annum or such percentage as will render a minimal service charge equal to no less than \$137,656;
- iii) Term: the earlier of: twenty (20) years from the effective date of the ordinance approving this tax exemption or eighteen (18) years from the date of the recording of the HMFA mortgage;
- iv) Waiver and Release: The Entity shall execute a release and waiver as to any overpayment of service charges or any other claims that may have accrued to date on behalf of any Entity that was, is or will become a party to any Financial Agreement;

C. The application for the tax exemption is on file with the office of the City Clerk. The tax exemption Financial Agreement shall be in substantially the form attached, subject to such modifications as the Business Administrator or Corporation Counsel deems appropriate or necessary.

D. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

E. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

F. This ordinance shall take effect at the time and in the manner provided by law.

G. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

JM/he
10/22/15

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

ORDINANCE APPROVING 1) A TAX EXEMPTION FOR OCEAN TOWERS PRESERVATION, LLC; PURSUANT TO THE NJ HOUSING AND MORTGAGE FINANCE AGENCY LAW N.J.S.A. 55:14K-1 ET SEQ; AND 2) TERMINATION OF THE EXISTING TAX EXEMPTION WITH OCEAN TOWERS ASSOCIATES, LP / MT. CARMEL GUILD PURSUANT TO THE LIMITED DIVIDEND LAW, N.J.S.A. 55:16-1 ET SEQ., FOR 425 OCEAN AVENUE

Initiator

Department/Division	Mayor's Office	Mayor's Office
Name/Title	Marcos Vigil	Deputy Mayor
Phone/email	(201) 547-6542	vigilm@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

The project was initially granted a tax exemption pursuant to a resolution dated December 19, 1972, to construct 99 units of affordable rental housing, under the Limited Dividend Housing Corporation Law, which expires on December 19, 2020. It appears that the original owner, Mt. Carmel Guild, conveyed the project and assigned the tax exemption to Ocean Towers Associates, LP, in 1983 without the consent of the City.

The project is now in need of renovations and the current owner, Ocean Towers Associates, LP, wishes convey title to the project to Ocean Towers Preservation, LLC; terminate its tax exemption; and has applied for a new 20 year tax exemption under the New Jersey Home Mortgage and Finance Agency [NJHMFA] and to secure funds from the NJHMFA in part to renovate the project.

I certify that all the facts presented herein are accurate.

Signature of Department Director

Date

3.F.
15.151

TIER 5B - FA (CO-TERMINOUS WITH HMFA MORTGAGE)
Rev. 10/21/15
HMFA
N.J.S.A. 55:14K-1 et seq.
(Affordable Housing)

Re: 425 Ocean Avenue
Block 25805, Lot 6
Bergen-Lafayette Redevelopment Plan Area

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] made this ____ day of _____, 2015, by and between **OCEAN TOWERS PRESERVATION, LLC**, is a qualified housing sponsor under the New Jersey Mortgage Housing Finance Agency N.J.S.A. 55:14K-1 et seq., having its principal office c/o 3 East Stow Road, Suite 100, Marlton, New Jersey 08053, and the **CITY OF JERSEY CITY**, a Municipal Corporation in the County of Hudson and the State of New Jersey, [City], having its principal office at 280 Grove Street, Jersey City, New Jersey 07302.

RECITALS

WITNESSETH:

WHEREAS, the project was originally known as Block 1333, Lots A, A1, A2, A3 & A4 (currently known as Block 25805, Lot 6), more commonly known by the street address of 425 Ocean Avenue, Jersey City, New Jersey, all of which is located within the boundaries of the Bergen-Lafayette Redevelopment Plan Area; and

WHEREAS, by a resolution dated December 19, 1972, the City of Jersey City approved a tax exemption for Mt. Carmel Guild [Entity] to construct 99 units of affordable rental housing, pursuant to N.J.S.A. 55:16-1, the Limited Dividend Housing Corporation Law, and funded by a loan from the New Jersey Housing Mortgage and Finance Agency [NJHMFA], which tax exemption expires on December 19, 2020; and

WHEREAS, it appears that Mt. Carmel Guild conveyed the project and assigned the tax exemption to Ocean Towers Associates, LP, in 1983 without the consent of the City; and

WHEREAS, the project is now in need of renovations to replace the existing windows, facade repair, elevator modernization, handicap accessibility, replacing lighting and plumbing fixtures, security cameras and exterior fence; and

WHEREAS, Ocean Towers Associates, LP, wishes convey title to the project to Ocean Towers Preservation, LLC, and terminate its tax exemption; and

WHEREAS, Ocean Towers Preservation, LLC, has applied for a new 20 year tax exemption pursuant to the New Jersey Home Mortgage and Finance Agency [NJHMFA] and to secure funds from the NJHMFA in part to renovate the project; and

WHEREAS, the Deed Restrictions, NJHMFA Regulatory Agreement and Mortgage shall keep the project affordable until at least 2035; and

WHEREAS, it is in the best interests of the City of Jersey City to preserve the 99 units as affordable housing until at least 2035, by adopting the within ordinance.

WHEREAS, on _____ 2015, the Entity's Application for a tax exemption for the Project and was approved by the City by the adoption of Ordinance ____; and

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Agreement shall be governed by the provisions of the New Jersey Housing and Mortgage Finance Agency Law, N.J.S.A. 55:14K-1 *et seq.*, Executive Order of E.O. 15-007, and Ordinance _____, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms shall have the following meanings:

i. Agency- The New Jersey Housing and Mortgage Finance Agency.

ii. Annual Gross Revenue- The total gross income, including any and all revenue derived from or generated by the Project of whatever kind or amount, whether received as rent from any tenants or income or fees from third parties, including but not limited to fees or income paid or received for parking, laundry, or other services, including any Section 8 certificate revenue derived from the Project, including all rent and other income, with an allowable vacancy rate of up to 5%. However, it shall **EXCLUDE** the cost of gas, electricity, water and sewer charges, and other utilities.

iii. Auditor's Report - A complete financial statement outlining the financial status of the Project (for a period of time as indicated by context), which shall also include a certification of Total Project Cost. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings or changes in stockholder's equity, statement of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other items reasonably required by the City or its auditors. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

iv. Certificate of Occupancy - Document, whether temporary or permanent, issued by the City authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A. 52:27D-133.

v. Default - Shall be a breach of or the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement, or under the Law, beyond any applicable grace or cure periods.

vi. Entity - The term Entity within this Agreement shall mean Ocean Towers Preservation, LLC, which Entity is formed and qualified pursuant to Law. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under by Law and the transfer has been duly approved by the City.

vii. Improvements or Project - Any building, structure or fixture

permanently affixed to the land and to be constructed and tax exempted under this Agreement.

viii. In Rem Tax Foreclosure or Tax Foreclosure - A summary proceeding by which the City may enforce a lien for taxes due and owing by tax sale, under N.J.S.A. 54:5-1 to 54:5-129 et seq.

ix. Land Taxes - If applicable, the amount of taxes assessed on the value of land, on which the project is located. If Land Taxes are not exempt; however, Land Taxes are applied as a credit against the Annual Service Charge.

x. Land Tax Payments - If the law requires, payments made on the quarterly due dates, including approved grace periods if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector.

xi. Law - Law shall refer to the New Jersey Housing and Mortgage Finance Agency Law, N.J.S.A. 55:14K-1 et seq.; Executive Order 15-007, relating to long term tax exemption, as it may be amended and supplemented; Ordinance ____, which authorized the execution of this Agreement; and Ordinance 07-123, as may be amended or supplemented from time to time, which requires the execution of a Project Labor Agreement, and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and/or regulations.

xii. Minimum Annual Service Charge - The Annual Service Charge shall be no less than this agreed upon Minimum Annual Service Charge, which the parties agree shall be \$137,656.

xiii. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as context requires.

xiv. Substantial Completion - The determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

xv. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its tax exemption.

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 25805, Lot 6, more commonly known by the street address of 425 Ocean Avenue, Jersey City, NJ, and described by metes and bounds in Exhibit 1 attached hereto. The cell tower shall not be subject to this tax exemption, but shall be subject to ad valorem real property taxes for which the Entity shall receive no land tax credit under Section 4.3 hereof.

Section 2.2 Approval of Entity

Approval is granted to the Entity whose Certificate of Formation is attached hereto as Exhibit 4. Entity represents that its Certificate contains all the requisite provisions of Law and has been filed with, as appropriate, the State Treasurer or Office of the Hudson County Clerk.

Section 2.3 Improvements to be Constructed

Entity represents that it will make certain improvements on the Property, which contains approximately 99 units of affordable housing and is in need of a substantial renovation to replace the existing windows, facade repair, elevator modernization, handicap accessibility, replacing lighting and plumbing fixtures, security cameras and exterior fence, all of which is more specifically described in the Application attached hereto as Exhibit 3.

Section 2.4 Construction Schedule

The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule, attached hereto as Exhibit 5.

Section 2.5 Ownership, Management and Control

The Entity represents that it is the owner of the property upon which the Project is to be constructed. The Entity represents that the Improvements will be managed and controlled as follows the Entity shall manage the improvements with regard to the residential dwelling units.

Section 2.6 Financial Plan

The Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as Exhibit 6. The Plan sets forth estimated Total Project Cost, the amortization rate on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any mortgage amortization.

Section 2.7 Statement of Rental Schedules and Lease Terms

The Entity represents that its good faith projections of the initial rental schedules and lease terms are set forth in Exhibit 7, attached hereto.

ARTICLE III - DURATION OF AGREEMENT

Section 3.1 Term

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall take effect on the date of the HMFA mortgage and remain in effect for the earlier of twenty (20) years from the date of the ordinance approving this tax abatement or eighteen (18) years from the date of the recording of the permanent HMFA mortgage as funded and approved by the Agency. The tax exemption shall only be effective only while the Project is owned by an entity formed and operating as a housing sponsor under the Law and subject to an HMFA mortgage. Thereafter, the tax exemption shall expire and the land and improvements thereon shall be assessed and taxed according to the general law applicable to other non-exempt property in the City.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make payment to the City of an amount equal to the greater of: the Minimum Annual Service Charge or 6.28% of the Annual Gross Revenue of residential units and 10% of all other Annual Gross Revenue. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue as set forth in its Financial Plan, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

A Minimum Annual Service Charge shall be due beginning on the date this Agreement is executed. The Annual Service Charge or Minimum Annual Service Charge, as the case may be, shall be due on the effective date of the adoption of Ordinance _____, which approved this tax exemption. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge, the amount unpaid shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

Section 4.2 Administrative Fee

The Entity shall also pay an annual administrative fee to the City in addition to the Minimum or Annual Service Charge. This administrative fee shall equal to half of one (0.5%) percent of the Annual Service Charge and shall be payable and due on or before December 31st of each year and collected in the same manner as the Annual Service Charge.

Section 4.3 Land Tax Credit

If the Law requires the Entity to pay Land Taxes in addition to the service charges, then the Entity will be entitled to a land tax credit against the service charges. In order to be entitled to the credit, however, the Entity is obligated to make timely Land Tax Payments, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any year that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credits against the Annual Service Charge for that year. No credit will be applied against the Annual Service Charge for partial payments of Land Taxes. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement. No land tax credit shall be applied for the cell tower ad valorem taxes.

Section 4.4 Quarterly Installments

The Entity expressly agrees that the Annual Service Charge shall be made in

quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. In the event that the Entity fails to pay the Annual Service Charge, the amount unpaid shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid.

Section 4.5 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including adjustments thereto, Administrative Fees, and any interest thereon, are Material Conditions of this Agreement.

ARTICLE V - PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

Section 5.1 Project Employment Agreement

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment & Contracting Agreement, attached hereto as Exhibit 8.

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner, as required. The failure to secure the Certificates of Occupancy shall subject the property to full taxation.

Section 6.2 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not mitigate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

Section 6.3 Construction Permits

The estimated cost basis disclosed by the Entity's application and proposed Financial Agreement may, at the option of the City, be used as the basis for the

construction cost in the issuance of any construction permit(s) for the Project.

ARTICLE VII - ANNUAL REPORTS

Section 7.1 Accounting System

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

Section 7.2 Periodic Reports

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that this Agreement shall continue in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to: Rental schedule of the Project, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement.

B. Total Project Cost Audit: Within ninety (90) days after the Substantial Completion of the Project, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, certified as to actual construction costs by an independent and qualified architect, utilizing the form attached hereto as Exhibit 9, and as to all other costs, certified its conformance with generally accepted accounting principles, by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, if there has been a change in ownership or interest from the prior year's filing, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent

of the ownership interest of each and such additional information as the City may request from time to time.

Section 7.3 Mortgage

Within ninety (90) days after the date the Entity closes on its loan with the Agency, the Entity shall file with the City a fully executed copy of the Note and a recorded copy of the HMFA Mortgage.

Section 7.4 Inspection/Audit

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City and the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity.

All costs incurred by the City to conduct the audit, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Interest shall accrue at the same rate as for a delinquent service charge.

ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES

Section 8.1 Limitation of Profits and Reserves

During the period of tax exemption as provided herein, the Entity's return on investment shall be limited in accordance with the regulations and conditions imposed by the Agency pursuant to N.J.S.A. 55:14K-7(6) or any other Law applicable.

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Prior Approval of Sale

Any sale or transfer of the Project shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new

Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge and 6) as to projects that are not Substantially Complete, the Entity is comprised of principals possessing substantially the same or better financial qualifications and credit worthiness as the Entity.

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure statement.

Section 9.2 Transfer or Lease to Tax Exempt Organization or Public Body.

In the event that the Entity transfers, sells, demises, conveys, or in any manner relinquishes ownership or title, including a lease to the land or improvements, covered by this tax exemption agreement, to a tax exempt non-profit organization or institution, including any public body, during the term of the tax exemption agreement, that would adversely impact the City's anticipated economic interests by reducing in any way taxes or the service charge due the City under this agreement or by law, it is understood and agreed by the Entity that it first obtain the consent of the City to the transfer or lease. It is further understood that it may be grounds for the City to withhold its approval if the City's economic interests are adversely effected thereby.

ARTICLE X - COMPLIANCE

Section 10.1 Operation

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 55:14K-1, et seq., as currently amended----- and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have sixty (60) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such sixty (60) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default failure to pay any charges defined as Material Conditions in Section 4.5, or a sale of the Project occurs without the consent of the City, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, reserves the right to prosecute an In Rem Tax Foreclosure action against the

Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge, Administrative Fees, or the Annual Service Charges shall not be subject to the default procedural remedies as provided herein, but shall allow the City to proceed immediately to terminate the Agreement as provided herein. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days

written notice to the Entity [Notice of Termination].

Section 12.2 Voluntary Termination by the Entity

The Entity may after the expiration of one year from the Substantial Completion of the Project notify the City that as of a certain date designated in the notice, it relinquishes its status as a tax exempt Project as of the 1st of January of the next ensuing year. The Notice of Termination must be received by the City no later than October 1st of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate.

Section 12.3 Final Accounting

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting to the City. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 12.4 Conventional Taxes

Upon Termination or expiration of this Agreement, the tax exemption for the Project shall expire and the land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the City.

ARTICLE XIII - DISPUTE RESOLUTION

Section 13.1 Arbitration

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose the Law. The cost for the arbitration shall be borne by the

Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all charges defined in Article IV, Section 4.5 as Material Conditions.

ARTICLE XIV - WAIVER

Section 14.1 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit any right of recovery of any amount which the City has under law, in equity, or under any provision of this Agreement.

ARTICLE XV - INDEMNIFICATION

Section 15.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action by a 3rd party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of the Law, the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable attorneys' fees and costs), arising out of this Agreement. The Entity agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

ARTICLE XVI- NOTICE

Section 16.1 Certified Mail

Any notice required hereunder to be sent by either party to the other shall be sent by certified or registered mail, return receipt requested.

Section 16.2 Sent by City

When sent by the City to the Entity the notice shall be addressed to:

Ocean Towers Preservation, LLC
c/o 3 East Stow Road – Suite 100
Marlton, New Jersey 08053

and

New Jersey Housing and Mortgage Finance Agency
637 South Clinton Avenue
P.O. Box 18550
Trenton, NJ 08650-2085

unless prior to giving of notice the Entity shall have notified the City in writing otherwise.

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

Section 16.3 Sent by Entity

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk
City Hall
280 Grove Street
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Entity and the Property's Block and Lot number).

ARTICLE XVII-SEVERABILITY / TERMINATION

Section 17.1 Severability

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a

manner contemplated by the parties. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

Section 17.2 Termination

The tax exemption agreement approved pursuant to the Limited Dividend Tax Exemption Law and dated on or about December 19, 1972, is hereby terminated; it being the intention of the parties that the project shall be subsumed by and subject only to the terms and conditions of the within Financial Agreement.

ARTICLE XVIII - MISCELLANEOUS

Section 18.1 Construction

This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

Section 18.2 Conflicts

The parties agree that in the event of a conflict between the Application and the language contained in the Agreement, the Agreement shall govern and prevail. In the event of conflict between the Agreement and the Law, the Law shall govern and prevail.

Section 18.3 Oral Representations

There have been no oral representations made by either of the parties hereto which are not contained in this Agreement. This Agreement, the Ordinance authorizing the Agreement, and the Application constitute the entire Agreement between the parties and there shall be no modifications thereto other than by a written instrument approved and executed by both parties and delivered to each party.

Section 18.4 Entire Document

This Agreement and all conditions in the Ordinance of the Municipal Council

approving this Agreement are incorporated in this Agreement and made a part hereof.

Section 18.5 Good Faith

In their dealings with each other, utmost good faith is required from the Entity and the City.

Section 18.6 Affordability Restrictions

The Deed Restrictions and NJHMFA Regulatory Agreement and Mortgage shall keep the project affordable until at least 2035.

ARTICLE XIX - EXHIBITS

Section 19 Exhibits

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Initial Rental Schedules and Lease Terms;
8. Project Employment & Contracting Agreement & Project Labor Agreement;
9. Architect's Certification of Actual Construction Costs;
10. Written approval of HMFA mortgage loan, including the amount and term thereof;
11. Entity's Deed [or Lease].

IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first above written.

ATTEST:

OCEAN TOWERS PRESERVATION, LLC

SECRETARY

By:
MEMBER MANAGER

ATTEST:

CITY OF JERSEY CITY

ROBERT BYRNE
CITY CLERK

By: ROBERT J. KAKOLESKI
BUSINESS ADMINISTRATOR

CONSENT TO TERMINATION OF 1972 TAX EXEMPTION:

ATTEST:

**OCEAN TOWERS ASSOCIATES, LP /
MOUNT CARMEL GUILD**

By:

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ___ day of ___, 2015, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **OCEAN TOWERS PRESERVATION, LLC** [Recipient], having its principal office at c/o 3 East Stow Road, Suite 100, Marlton, New Jersey 08053.

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into an agreement with the City to implement, in whole or in part, this agreement.
2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
3. Construction Contract means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway or other improvement on a Project Site.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council.
6. "Employment" includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. Jersey City Employment and Training Corporation or "JCEPT" means the non-profit quasi public Entity with whom the City has an operating agreement to undertake certain employment services.
8. "Local Business" means a bona fide business located in Jersey City.
9. "Minority" means a person who is defined as such under federal or state law.

10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor and Workforce Development, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
13. "Project or Project Site" means the specific work location or locations specified in the contract.
14. The "Project Employment & Contracting Coordinator" or "Coordinator" is the employee in the Department of Administration presently, the Executive Director of the Jersey City Employment & Training Program, Inc., who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Coordinator. The Coordinator may refer a developer to the JCEPT or its one-stop career center so long as the City and JCEPT agreement is in full force and effect.
15. The "Project Employment & Contracting Monitor" or "Monitor" is the employee in the Department of Administration who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting administration as stipulated by this agreement.
16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.
17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
18. "The Registry" or "Jersey City Employment Registry" means a data base maintained by the City or its designee, of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.

21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose: Construction Jobs, Business Contracting, Permanent Jobs

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

Because this project is not subject to the terms of a Project Labor Agreement during construction, this agreement shall apply to all Construction Jobs, Business Contracts and non-construction Permanent Jobs. Recipients are also required to notify any commercial tenants of employment services available from the City.

III. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix 1. This Officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix 2.

IV. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____, approving the tax exemption and terminate the earlier of 2 years from the date of the adoption of that Ordinance or 18 years from the date of Substantial Completion of the Project.

V. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient shall only be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. All other Recipients must comply with the following Good Faith goals.

1. **Employment (Construction and Permanent Jobs):** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.
2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

VI. Good Faith Defined. Construction Jobs:

1. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, each Contractor /Subcontractor shall prepare an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked by City residents, including a list of the number of minority residents and women residents that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Appendix B is the Recipient's Initial Manning Report.
- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept said Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Appendix C.

B. Developer's Contracting Obligations

- i) Once the developer submits the project's initial manning report, he/she must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and minority vendors for any

construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Appendix D.

- ii) The developer shall make a good faith effort to contact those businesses and individuals who submit bids. This effort must be documented by letter, which will be sent to Mayor Steven M. Fulop's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Appendix E.

D. Union Statement of Using Its Best Efforts

- i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.
- ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.
- iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

The developer shall require that each prime contractor be responsible for the compliance of his/her subcontractors with the aforementioned Project Employment & Contracting requirements during the performance of the contract. Whenever the contractor sub-contracts a portion of the work on the project, the contractor shall bind the subcontractor to the obligations contained in these supplemental conditions to the full extent as if he/she were the contractor.

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

- i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked by City residents, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

- i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Appendix H.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will request copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit. These reports will be forwarded to the Project Employment & Contracting Monitor within one month of the signing of the Project Employment & Contracting Agreement.

J. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

K. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

L. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

VII. Good Faith Defined. Permanent Jobs:

1. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:

- A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will meet with the Coordinator, including the director of JCETP to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:
 - i) whether subcontractors will be used in the hiring process.
 - ii) the specific types of jobs that need to be filled.
 - iii) the qualifications needed for these particular jobs.
 - iv) possible training programs offered by the permanent employer.
 - v) the Recipient's goals and how it plans to meet these goals.
 - vi) any other issues which need to be addressed.

- B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.
- C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.
- D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
- E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
- F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this

report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.

- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

VIII. **Good Faith Defined. Business Contracts**

- A. Good Faith shall mean compliance with all of the following conditions:
 - i) Solicitation of Businesses:
 - a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
 - b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.
 - c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
 - d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.

- e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
 - f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
 - g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
 - h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
 - i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
 - j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.
- B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

IX. Good Faith Defined. Commercial Tenants at the Project Site

Good Faith shall mean compliance with all of the following conditions:

- A. The Recipient shall send all tenants of commercial space, including retail space, within the Project Site a Tenant Employment Services Guide in the form attached as Appendix 7.
- B. The Recipient shall require tenants of commercial, including any retail space to complete an annual questionnaire concerning the composition of the work force of each tenant. The completed questionnaire be submitted to the Project Employment & Contracting Monitor. The questionnaire shall be in the form attached as Appendix 8.
- C. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than December 1st of each year.

X. Notices of Violation:

- 1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have 7 days to correct the violation.
- 2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City the City shall issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation.
- 3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
- 4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

If the City determines that the Recipient is in violation after the expiration of the cure periods, the Recipient agrees that the City shall be entitled to the liquidated damages provided below.

XI. Liquidated Damages:

- 1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration

of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:

- A. Failure to file Initial Manning Report (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracts): an amount equal to Five percent (5%) increase in the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- B. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

XII. Notices

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

Ocean Towers Preservation, LLC
c/o 3 East Stow Road - Suite 100
Marlton, New Jersey 08053
Att:

and

2. When sent by the Recipient to the City, it shall be addressed to:

City of Jersey City
Department of Administration
Division of Economic Opportunity
Project Employment & Contracting Monitor
280 Grove Street
Jersey City, New Jersey 07302
Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

XIII. Appendix

These forms are examples only and shall be in substantially the form on file in the Division of Economic Opportunity, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report
7. Tenant Employment Services Guide
8. Commercial Retail Annual Questionnaire

XIV. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

In the event there are any conflicts between this Agreement and any Project Labor Agreement, then as it pertains to construction jobs covered by the PLA, the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

OCEAN TOWERS PRESERVATION, LLC

Secretary

President

APPLICATION FOR TAX EXEMPTION

BY

Ocean Towers Preservation, LLC
("Fee Simple Owner")

In compliance with Executive Order #2013-004 of the Mayor of the City of Jersey City and the Jersey City Tiered Tax Exemption Policy dated December 24, 2013 of the Mayor of the City of Jersey City, the Applicant herewith submits the following information in support of its application for a Tax Exemption under and pursuant to the New Jersey Mortgage Housing Finance Agency, Law, N.J.S.A 55:14K-1, et. seq.

Applicant: Ocean Towers Preservation, LLC
c/o 3 East Stow Road, Suite 100
Marlton, New Jersey 08053
Attn: Joel Silver

Project: Ocean Towers
425 Ocean Avenue, Jersey City, NJ 07305
Block 25805, Lot 6

Ocean Towers is referred to herein as the "Project."

Applicant's General Contractor: Prestige Building Company
3 East Stow Road
Marlton, NJ 08053

Applicant's Architect: Geno F. Schiavo, AIA
Kitchen and Associates
756 Haddon Avenue
Collingswood, NJ 08108

Applicant's Attorney: DeCotiis, FitzPatrick & Cole, LLP
500 Frank W. Burr Boulevard
Teaneck, NJ 07601
201-907-5205
Attn: William Harla, Esq.

Loan Advisor/Consultant: None

APPLICATION

1. Identification of Property:

The property is currently owned by Ocean Towers Associates. The property consists of an existing 10-story 100-unit affordable elderly apartment building located at 425 Ocean Avenue in Jersey City, NJ (HMFA #419).

A metes and bounds description is attached hereto as Exhibit A. The Property is approximately 1 acre.

2. General Statement of the Nature of the Project:

The building was constructed in 1973 and contains 99 qualified affordable housing apartments' dwellings including 18 studio apartments with 496 square foot of living space, 81 one-bedroom apartments with 570 square feet living space. One 2-bedroom apartment is set aside for a live-in-site superintendent. The superintendent's apartment is a non-revenue producing unit. Off-street parking is available to residents, and public transit is located along Ocean Avenue. The building contains an on-site management office, social service coordinator, laundry facilities, and a large community room with a full kitchen. Building access is electronically controlled.

The building has been well maintained over the past couple decades but a more substantial renovation is now necessary. The most urgent need for the property is the replacement of the existing windows, which are single-paned, drafty, and highly energy inefficient. The existing thru-wall air conditioning units are also energy inefficient and in need of replacement. Further improvements include façade repair, elevator modernization, handicap accessibility modifications, replacement of lighting fixtures with more energy efficient assemblies, introduction of low flow plumbing fixtures, purchase of higher efficiency mechanical equipment, added security cameras and exterior fence improvements.

The building was initially financed with a HUD Section 236 loan, and all 99 rental units are currently covered by a HUD Housing Assistance Payment Contract (HAP) payment through the Rental Assistance Demonstration Program administered by the Jersey City Housing Authority. The building is currently owned by Ocean Towers Associates (a New Jersey Limited Partnership), and managed by Interstate Realty Management.

The Applicant is proposing an acquisition/rehabilitation project combined with an IRP HUD Section 236 decoupling in order to carry out the proposed renovation plan. Under the proposed rehabilitation plan, the Applicant for the project's financing has formed Ocean Towers Preservation, LLC to acquire the property for purposes of effectuating a 4% Low Income Housing Tax Credit transaction. Ocean Towers-Michaels, LLC will be the Managing Member of the Applicant. The Applicant is an affiliate of Michaels Development Company and will hold a 0.01% interest in the ownership entity. Ocean Towers-Michaels, LLC will consist of Michael J. Levitt as Managing Member with a 0.049% interest and Albert Soler will be a Member with 0.51% interest. The tax credit syndicator, Prestige Affordable Housing Equity Partners, will create a fund that will maintain a 99.99% interest in the transaction.

The current estimated development cost is approximately \$15,270,000. Proposed funding sources include equity derived from the syndication of 4% low income housing tax credits allocated by New Jersey Housing and Mortgage Finance Agency (NJHMFA). Under the proposed financing plan, the existing mortgage will be paid in full and replaced by a new

permanent mortgage from NJHMFA of approximately \$6,300,000. The existing IRP payment will be retained, and these payments will be pledged towards the repayment of a new IRP loan of which US Department of Housing and Urban Development will administer. The current owner will also provide a contribution in the form of seller's note to be mortgaged against the building and the Sponsor will pledge developer fee as per NJHMFA requirements.

This transaction will require the Applicant, as the purchaser, to extend the affordability period of this community thus ensuring it will remain available to seniors who need decent and safe affordable housing opportunities. No residents will be displaced as a result of this transaction and no resident will have to be relocated during this rehabilitation.

3. Abatement Requested:

The Applicant seeks a long term tax exemption pursuant to the New Jersey Housing and Mortgage Finance Agency Statute, N.J.S.A. 55:14K-37b et seq. (the "Law") for the Project. As an affordable housing project, the Project falls within TIER 5 of the Jersey City Tiered Tax Exemption Policy.

With respect to the 99 affordable housing units, the Applicant requests that the financial agreement be based upon the percentage of 6.28 percent of annual net revenue. The initial service charge to the City with respect to the affordable units is anticipated to be \$74,515.

Based upon the above formulas it is estimated that the Project will render a total initial annual service charge to the City of approximately 74,515. The annual service charges will increase over the term of the abatement. An Annual Gross Revenue Computation for the Project is attached hereto as part of Exhibit B. Annual Gross Revenue is defined as any and all revenue derived from or generated by the Project of whatever kind or amount, whether received as rent from any tenants (not including tenant security deposits) or income or fees from third parties, including but not limited to fees or income paid or received for parking, or as user fees or for any other services, provided however, any utility expenses or charges of the Project that are paid by the Entity shall be deducted from Gross Revenue.

The Applicant will not seek to include the cellular antenna income this property generates as a result of the cell phone antennas located on the roof within this abatement request. The cell tower shall remain subject to ad valorem real property taxes.

4. Term

The Applicant requests that the term of the exemption be coincident and coterminous with the term of the Agency's first mortgage, which is anticipated to be a term of eighteen (18) years. The Applicant requests that the exemption commence on the date of the construction loan and tax credit syndication closing.

5. Improvements to be Constructed:

The improvements to be constructed will consist of the following:

The most urgent need for the property is the replacement of the existing windows, which are single-paned, drafty, and highly energy inefficient. The existing thru-wall air conditioning units are also energy inefficient and in need of replacement. Further improvements include façade repair, elevator modernization, handicap accessibility modifications, replacement of lighting fixtures with more energy efficient assemblies, introduction of low flow plumbing fixtures, purchase of higher efficiency mechanical equipment, added security cameras and exterior fence improvements. The applicant anticipates the overall investment to be approximately \$2,750,000. The applicant will work with Kitchen and Associates as the project architect to develop the plans for these improvements.

6. Estimate of Total Project Cost:

The Total Project Cost as set forth in Exhibit C is estimated to be approximately \$15,220,000. While not the applicable law relevant to this application, the Total Project Cost has been calculated in accordance with the provisions of N.J.S.A. 40A:20-3(h).

The total actual construction cost is approximately \$2,750,000. Construction costs have been estimated based upon information compiled by the Applicant.

The breakdown of the Total Project Cost and a Certification of the Estimated Construction Costs are attached hereto as Exhibit C.

7. Financial Structure:

The Development and Construction of the Project will be financed as follows: During the construction term, the Project will utilize tax exempt financing issued by the NJHMFA in the amount of \$7,980,000. As the tax exempt loan will constitute in excess of 50% of the land cost and eligible basis cost of the Project, an allocation of 4% low income housing tax credits will be generated as well as acquisition credits based on the appraised value of the existing property. For ten years, the Project will receive a tax credit allocation of approximately \$401,725 dollars. The benefit of this ten year tax credit will be syndicated and an investor will provide approximately \$4,257,868 of equity for the Project. The Applicant will be decoupling a Section 236 HUD Loan which will generate approximately \$1,121,400 in proceeds. \$2,922,100 will be provided in a form of Seller Financing. Permanent Mortgage in the approximate amount of \$6,657,000 and a NJHMFA mandatory deferred Development Fee of \$349,209 will complete the sources of this transaction.

8. Construction Schedule:

It is estimated that construction of the project will commence in November, 2015 after receipt of all final governmental approvals and the closing of the construction and tax credit syndication financing. Construction is expected to be substantially complete within 12 months of

commencement. This construction schedule is subject to force majeure and the time required to obtain necessary governmental approvals and permits.

9. Zoning Information/Municipal Land Use Approvals:

The property is located within the R-4, Multi Family High Rise District. The proposed development is consistent with the purpose of the Zoning District which is to accommodate low, medium and high-rise multi-family housing. The project consist of rehabilitation work which includes replacement of windows and the modernization and repair of certain components of the existing building that will in not impact the building footprint or other site related matters. Therefore, planning board approval is not required. .

10. Real Estate Tax Assessment for the Property:

Although the property is currently exempt from real estate tax, the real estate assessment is as follows:

Block 25805, Lot 6

Land:	\$ 130,700
Improvements:	<u>\$ 2,851,400</u>
Total:	\$ 2,982,100

11. Current Real Estate Taxes Levied:

The property is currently exempt from real estate taxes.

Although the existing development is exempt from real estate taxes, the property is currently subject to an existing PILOT under NJHMFA statute which will terminate upon sale and repayment of its existing permanent mortgage.

12. Status of Municipal Taxes and other Charges:

To the best of Applicant's knowledge and belief, all real estate taxes and other assessments against the Property have been paid in full.

13. Ownership Disclosure Statement

The Applicant is a limited liability created under the laws of the State of New Jersey. A copy of the Certificate of Formation is attached hereto as part of Exhibit D. A Disclosure Statement is attached hereto as Exhibit E. The unanimous consent of members is attached hereto as Exhibit F.

14. Certification of Construction Commencement:

A Certification from the Applicant that the construction of the Project will not commence prior to final approval and execution of the financial agreement between the City and the Applicant for the Project is attached hereto as Exhibit G.

15. Projected Job Creation:

The Applicant estimates that construction of the Project will generate over ten (10) jobs during the construction period. Following completion of construction, the Applicant estimates the retention of approximately four (4) full-time and two (2) part-time jobs.

The Applicant shall enter into a Project Employment and Contracting Agreement with the City in accordance with Ordinance 14.052. This Project is exempt from the requirements of a Project Labor Agreement because any project that is undertaken and which contains in excess of fifty percent (50%) affordable housing is exempt from the requirements of a Project Labor Agreement. (s. 304-34).

16. Compliance with State and Local Law:

A Certification by the Applicant that the Project meets the requirements of the laws of the State of New Jersey and the City of Jersey City is attached hereto as Exhibit H.

17. Certification of Truthfulness and Diligent Inquiry:

A Certification of the Applicant that all information contained in this Application is true and correct to the best of its knowledge after having made diligent inquiry is attached hereto as Exhibit I.

18. Financial Agreement:

The City shall provide the proposed form of Financial Agreement and Project Employment and Contracting Agreement.

It is important to note that unlike most affordable housing developments whereby the resident receives a reduction of gross rent, by way of utility allowance, for various tenant paid utilities, Ocean Towers is structured much differently. Residents do not receive any reduction in their gross rent as all utilities are owner paid. Consequently, project gross revenue calculation included within Exhibit B, which is the basis of the abatement calculation is greater than most affordable elderly communities. As such, the applicant is requesting that the City permit the inclusion of a utility discount within the abatement calculation identified within Exhibit B.

19. Affordable Housing Contribution & Repayment:

As 99 of the 100 units are affordable housing units that will be subject to affordability controls, which is greater than fifteen percent (15%) of the Project, no affordable housing contribution is required. The Affordable Units will be certified by the City annually.

20. Fee:

Since this application includes a Project for affordable housing, no application fee is required.

21. List of Exhibits.

- A. Metes and Bounds Description; Site Plan; Agreement of Sale
- B. Fiscal Plan, Annual Gross Revenue, Annual Service Charge Calculation
- C. Total Project Cost; C-1 - Certificate of Estimated Construction Cost
- D. Certificate of Formation and Authorizing Resolution
- E. Disclosure Statement
- F. Unanimous Consent of Members
- G. Commencement Certification
- H. Compliance with State and Local Laws
- I. Diligent Inquiry Certification; Certificates of Municipal Taxes, Fees and Charges Paid; and Disclosure Statement as to Existing Financial Agreements with regard to other property or projects.

EXHIBIT "A"

LEGAL DESCRIPTION

File No: 1156MA-01

ALL THAT CERTAIN tract or parcel of land and premises lying, being and situate in Jersey City, County of Hudson, and State of New Jersey being more particularly described as follows:

BEGINNING at the intersection formed by the Westerly line of Ocean Avenue with the Southerly line of Fulton Street; and running; thence

1. Southerly and along said Westerly line of Ocean Avenue, South 36 degrees 30 minutes West 250.60 feet to its intersection with the Northerly line of Woodlawn Avenue; thence
2. Westerly and along said Northerly line of Woodlawn Avenue, North 49 degrees 24 minutes West 109.92 feet to a point, said point being 175.00 feet Easterly from the intersection formed by said Northerly line of Woodlawn Avenue with the Easterly line of Corcoran Street; thence
3. Northerly and parallel to said Easterly line of Corcoran Street, North 40 degrees 36 minutes East 125.00 feet to a point; thence
4. Westerly and parallel to said Northerly line of Woodlawn Avenue, North 49 degrees 24 minutes West 175.00 feet to a point in said Easterly line of Corcoran Street; thence
5. Northerly and along said Easterly line of Corcoran Street, North 40 degrees 36 minutes East 25.00 feet to a point, said point being 100.00 feet Southerly from the intersection formed by said Easterly line of Corcoran Street with said Southerly line of Fulton Street; thence
6. Easterly and parallel to said Southerly line of Fulton Street, South 49 degrees 24 minutes East 93.50 feet to a point; thence
7. North 39 degrees 44 minutes 30 seconds East 100.00 feet to a point in said Southerly line of Fulton Street; thence
8. Easterly and along said Southerly line of Fulton Street, South 49 degrees 24 minutes East 175.00 feet to the point or place of BEGINNING.

BEING premises No. 421-433 Ocean Ave.

Block: 25805, Lot: 6

BEING the same land and premises which became vested in Ocean Towers Associates, a limited dividend housing association of the State of New Jersey, by deed from Mount Carmel Guild - Ocean Towers, Inc., a nonprofit housing corporation, dated 11/28/1983, recorded 11/30/1983, in the Hudson County Clerk/Register's Office in Deed Book 3396, Page 547.

EXHIBIT A

OCEAN TOWERS PRESERVATION, LLC

Description of Property

Address: 425 Ocean Avenue
Jersey City, New Jersey
07305
Block 25805, Lot 6

The property consists of an existing 10-story 100-unit elderly apartment building located at 425 Ocean Avenue in Jersey City, NJ

See metes and bounds description attached hereto.

EXHIBIT B

OCEAN TOWERS PRESERVATION, LLC


FISCAL PLAN:

ANNUAL GROSS REVENUE
&
ANNUAL SERVICE CHARGE CALCULATION

Ocean Towers
Agreement for Payment in Lieu of Taxes

Exhibit B

PILOT Calculation

Projected Annual Gross Revenue	\$1,410,804
Proforma Vacancy at 3%	(\$42,324)
Project Utilities	(\$181,928) 
Project Revenues	\$1,186,552
Payment in Lieu Percentage	6.28%
Annual Projected Payment in Lieu Amount	<u>\$74,515</u>

Ocean Towers

Estimated Annual Payments in Lieu of Taxes

TOTAL PILOT PAYMENT

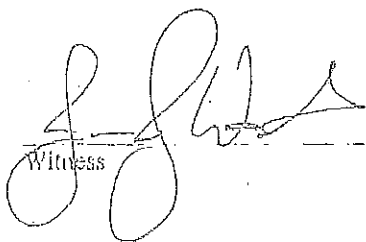
Year	1	\$74,515
Year	2	\$76,751
Year	3	\$79,053
Year	4	\$81,425
Year	5	\$83,868
Year	6	\$86,384
Year	7	\$88,975
Year	8	\$91,645
Year	9	\$94,394
Year	10	\$97,226
Year	11	\$100,143
Year	12	\$103,147
Year	13	\$106,241
Year	14	\$109,428
Year	15	\$112,711
Year	16	\$116,093
Year	17	\$119,575
Year	18	\$123,163

EXHIBIT C-1

OCEAN TOWERS PRESERVATION, LLC

Certification of Estimated Construction Costs

On this 27 day of August, 2015, the undersigned being the architect for the Project to be developed by Ocean Towers Preservation, LLC, does hereby certify to the best of my knowledge and belief that Exhibit C accurately reflects the estimated actual construction costs of the Project proposed on Block 25805, Lot 6, more commonly referred to as 425 Ocean Avenue, Jersey City, New Jersey.


Witness

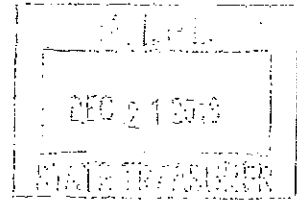
By: 
Name: EUGENE SCHIAVONE
Title: Architect

EXHIBIT D

OCEAN TOWERS PRESERVATION, LLC

CERTIFICATE OF FORMATION

CERTIFICATE OF FORMATION
OF
Ocean Towers Preservation, LLC



This Certificate of Formation dated December 21, 2010 is being duly executed and filed by R. W. Worthington, as an authorized person, to form a limited liability company under the New Jersey Limited Liability Company Act.

1. The name of the limited liability company is

Ocean Towers Preservation, LLC

2. The name and address of the limited liability company's initial registered office and agent is:

Arthur M. Brown, Esquire
3030 Atlantic Avenue
Atlantic City, NJ 08401

3. The duration of the limited liability company's existence shall be perpetual.

The undersigned represents that this Limited Liability Company has one or more members, and that this filing complies with the requirements detailed in NJSA 42:2B. The undersigned hereby attests that he is authorized to sign this certificate on behalf of the Limited Liability Company.

Dated: December 21, 2010

R. W. Worthington
Authorized person

EXHIBIT E

OCEAN TOWERS PRESERVATION, LLC
Disclosure Statement

NAME OF ENTITY: Ocean Towers Preservation, LLC
3 East Stow Road, Suite 100
Marlton, New Jersey 08053

LOCATION OF PROJECT: The Project is located on Block 25805, Lot 6
commonly referred to as 425 Ocean Avenue, Jersey
City, NJ

PRINCIPAL PLACE OF BUSINESS: 3 East Stow Road, Suite 100
Marlton, New Jersey 08053

NAME OF REGISTERED AGENT: Arthur Brown, Esq.
ADDRESS: 3030 Atlantic Avenue
Atlantic City, New Jersey 08401

NAME	ADDRESS
PERCENT OWNED	
Ocean Towers – Michaels, LLC	c/o Michaels Development Company
(Albert Soler 0.51%)	3 East Stow Rd., Marlton, NJ 08053
(Michael J. Levitt-0.49%)	

I CERTIFY THAT THE FOREGOING LIST REPRESENTS THE NAMES OF ALL MEMBERS/PARTNERS OWNING A 10% OR GREATER INTEREST IN THE ABOVE ENTITY (IF ONE OR MORE OF THE ABOVE NAMED IS ITSELF AN ENTITY, THE APPLICANT HAS PROVIDED THE NAMES OF ANY ENTITY OWNING A 10% OR GREATER INTEREST THEREIN)

I FURTHER CERTIFY THAT NO OFFICER OR EMPLOYEE OF THE CITY OF JERSEY CITY HAS ANY INTEREST, DIRECT OR INDIRECT, IN THIS ENTITY.

I CERTIFY THAT THE FOREGOING STATEMENTS MADE BY ME ARE TRUE. I AM AWARE THAT IF ANY OF THE FOREGOING STATEMENTS MADE BY ME ARE WILLFULLY FALSE, I AM SUBJECT TO PUNISHMENT.

Dated: 8/27/2015

Ocean Towers Preservation, LLC

By: [Signature]
Albert Silver, Vice President of
Ocean Towers-Michaels, LLC

[Signature]
WITNESS

EXHIBIT F

UNANIMOUS CONSENT OF MEMBERS

AND RESOLUTION OF OCEAN TOWERS PRESERVATION, LLC

WHEREAS, OCEAN TOWERS PRESERVATION, LLC (the "Applicant") consists of the following Members:

Ocean Towers – Michaels, LLC	c/o Michaels Development Company
(Albert Soler 51%)	3 East Stow Rd., Marlton, NJ 08053
(Michael J. Levitt-49%)	

WHEREAS, Michael J. Levitt, is a member and vice president of OCEAN TOWER-MICHAELS, LLC and has the authority to act on behalf of the Applicant;

THE UNDERSIGNED, Michael J. Levitt, hereby:

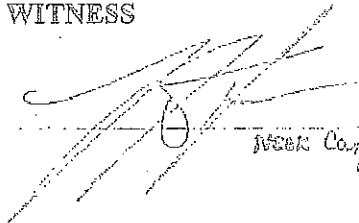
RESOLVES, that the Entity be and is hereby authorized and empowered to make an application to the City of Jersey City for a Tax Exemption under and pursuant to N.J.S.A. 55:14K-1, et seq. with regard to the property identified as Block 25805, Lot 6 on the Jersey City tax maps, and to be identified with an address of 425 Ocean Avenue, Jersey City, New Jersey (hereinafter the "Property"); and

FURTHER RESOLVE, that Joel Silver, as the Vice President of OCEAN TOWERS-MICHAELS, LLC, and as authorized representative of the Applicant, be and is hereby authorized to execute and deliver the tax exemption application to the City of Jersey City, and execute and deliver any and all other documents required of the Applicant, and to take any and all action necessary to effectuate the application for the tax exemption for the Property, prospectively and nunc pro tunc; and

FURTHER RESOLVE, that Joel Silver, as the authorized representative of the Applicant, be and is hereby authorized to take any and all action which he deems reasonable or necessary on behalf of the Applicant required to effectuate the above application.

IN WITNESS WHEREOF, the undersigned, being the authorized officer of OCEAN TOWERS PRESERVATION, LLC, consents to the foregoing actions by the authorized representative, Joel Silver, on behalf of the Applicant, and ratify and affirm same and execute this Consent and Resolution on this 27th day of August, 2015.

WITNESS


Week Corporation

OCEAN TOWERS-MICHAELS, LLC

BY:



MICHAEL J. LEVIN
OCEAN TOWERS-MICHAELS, LLC

EXHIBIT G

OCEAN TOWERS PRESERVATION, LLC

Commencement Certification

The Applicant being the developer of the Project hereby certifies that:

1. Construction of the Project will not commence prior to the final approval and execution of a financial agreement between the City and the Applicant.
2. The foregoing statement made by me this 27th day of AUGUST, 2015 is true to the best of my knowledge and I understand that the City of Jersey City is relying upon this Certification in considering the Application.

Ocean Towers Preservation, LLC

By: _____

Joel Silver, Vice President of
Ocean Towers - Michaels, LLC

Witness _____

EXHIBIT H

OCEAN TOWERS PRESERVATION, LLC

COMPLIANCE WITH STATE AND LOCAL LAWS CERTIFICATION

Certification

The Applicant being the developer of the Project hereby certifies that:

1. The Project is being financed by tax exempt bonds issued by the New Jersey Housing and Mortgage Finance Agency and meets the requirements of the laws of the State of New Jersey in accordance with the New Jersey Housing and Mortgage Finance Agency "NJHMFA" Law, NJSA 55:14K-37b. The Project is a Tier 5 Mixed Income Project due to the fact that 99 of the 100 residential units to be developed are deed restricted Affordable Housing Units that will be maintained as affordable housing for the term of the tax exemption.

2. The Project is located within the R-4, Multi Family High Rise District. The planning board found that the proposed development is consistent with the purpose of the Zoning district, which is to accommodate low, medium and high-rise multi-family housing.

The foregoing statements made by me on this 27th day of AUGUST, 2015 are true to the best of my knowledge and after it has made diligent inquiry to confirm the accuracy of all information.

Ocean Towers Preservation, LLC

By:

Joel Silver, Vice President of
Ocean Towers-Michaels, LLC

Witness

Nick Carangelo

EXHIBIT I

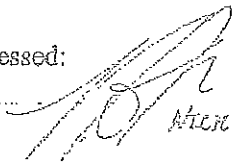
OCEAN TOWERS PRESERVATION, LLC

DILIGENT INQUIRY CERTIFICATION

The Applicant being the developer of the Project hereby certifies to the City of Jersey City that all information contained in this Application is true and correct to the best of the Applicant's knowledge, after it has made diligent inquiry to confirm the accuracy of all information.

Dated: *August 27, 2015*

Witnessed:


Nick Caragelasi

Ocean Towers Preservation, LLC

By:

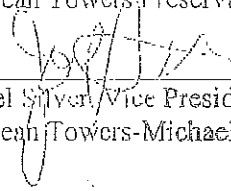

Joel Silver, Vice President of
Ocean Towers-Michaels, LLC

EXHIBIT I-1

OCEAN TOWERS PRESERVATION, LLC

CERTIFICATIONS OF MUNICIPAL TAXES, FEES
AND CHARGES PAID

Joel Silver, as the authorized representative of the Applicant, the developer of the Project, and as the sole manager of Ocean Towers Preservation, LLC, the owner of the Property, hereby certifies that:

1. The Applicant's affiliate is the owner of the Property. Neither the Applicant nor the Applicant's affiliate, owns any other property within Jersey City. All real estate taxes, charges, fees and other assessments against the Property have been paid in full.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: AUGUST 27, 2013

Witnessed:

By: 

Nick Carvelos

Ocean Towers Preservation, LLC

By: 

Joel Silver, Vice President of
Ocean Towers-Michaels, LLC

EXHIBIT I-2

OCEAN TOWERS PRESERVATION, LLC

DISCLOSURE STATEMENT AS TO EXISTING FINANCIAL AGREEMENTS
WITH REGARD TO OTHER PROPERTY OR PROJECTS

Joel Silver, as the authorized representative of the Applicant, hereby certifies that:

1. The members of the applicant, individually, or as a member of various entities, own other property within Jersey City that are parties to a Financial Agreement(s) with the City of Jersey City, which are currently in full force and effect, at the following property(ies)/project(s):

SEE ATTACHED LIST

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: AUGUST 27, 2013

Witnessed:

BY

Nick Cangello

Ocean Towers Preservation, LLC

By:

Joel Silver
Joel Silver, Vice President of
Ocean Tower-Michaels, LLC

Ocean Towers

LIST OF EXISTING FINANCIAL AGREEMENTS WITHIN JERSEY CITY

- A. Woodward Terrace
- B. Pacific Court
- C. Barbara Place
- D. Ocean Towers
- E. Glennview Townhouses Phase 1
- F. Glennview Townhouse Phase 2
- G. Catherine Todd Senior Living Center
- H. Montgomery Gardens Family Phase 1

Ordinance of the City of Jersey City, N.J.



ORDINANCE NO. Ord. 15.151
TITLE: 3.F OCT 28 2015 4.E

Ordinance approving 1) Tax exemption for Ocean Towers Preservation, LLC.; pursuant to the NJ Housing and Mortgage Finance Agency Law N.J.S.A.55:14K-1 et seq., and 2) Termination of the existing tax exemption with Ocean Towers Associates, LP - Mt. Carmel Guild pursuant to the Limited Dividend Law, N.J.S.A.55:16-1 et seq., for 425 Ocean Avenue.

RECORD OF COUNCIL VOTE ON INTRODUCTION OCT 28 2015 9-0											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
RAMCHAL	✓			OSBORNE	✓			WATTERMANN	✓		
BOGGIANO	✓			COLEMAN	✓			LAVARRO, PRES.	✓		

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING											
Councilperson				moved, seconded by Councilperson				to close P.H.			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMANN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

✓ Indicates Vote

N.V.--Not Voting (Abstain)

SPEAKERS:

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY											
Councilperson				moved to amend* Ordinance, seconded by Councilperson				& adopted			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMANN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

RECORD OF FINAL COUNCIL VOTE											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMANN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

✓ Indicates Vote

N.V.--Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on OCT 28 2015

Adopted on second and final reading after hearing on _____

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on

APPROVED:

Robert Byrne, City Clerk

Rolando R. Lavarro, Jr., Council President
Date _____

*Amendment(s):

APPROVED:

Steven M. Fulop, Mayor
Date _____

Date to Mayor _____